



MISSION STATEMENT: To advance the availability, quality and acceptance of school nutrition programs as an integral part of education.

March 21, 2000

Mr. Les Johnson Director, Food Distribution Division Food and Nutrition Service 3101 Park Center Drive Alexandria, VA 22302

Dear Mr. Johnson,

The American School Food Service Association appreciates this opportunity to comment on the **USDA Proposal for Change -** *Transforming Food Distribution for the Next Millennium*. We also appreciate the earnestness with which the Department has moved forward with the reengineering project, clearly demonstrating a willingness to make significant improvements in the commodity distribution program. And we are grateful to the Department for allowing us to have direct involvement in developing the proposals through the inclusion of ASFSA members on the CORE and CHART teams.

Overall, ASFSA approves of the changes presented in the proposal. There are no recommendations in the document with which we disagree and, in fact, they are consistent with concepts presented in the letter we sent to the Senior Oversight Committee last November. There are, however, several areas where we feel the Department should move forward more aggressively than the proposal suggests.

- The use of "best-value contracting" has proven effective already. The USDA peanut butter pilot demonstrates this. The government has adopted best-value procurement in many areas. We suggest that this approach be utilized as broadly as possible.
- Perhaps the most widely praised concept among all stakeholders is the use of national processing contracts. Processors benefit by significantly reducing the administrative expenses associated with developing, implementing and monitoring contracts in all of the states in which they do business. National contracts also benefit school districts as they then have access to a far broader array of products than otherwise available (with the understanding that processors self-limit their distribution). While we understand there are questions that need to be addressed in the area of contract law and compliance, we encourage the Department to move forward with this concept as quickly as possible.
- Proposals 9-11 address the commodity holds and recalls concepts. This is
 of critical importance to all partners. We encourage the Department to implement the CHART Team system immediately and follow as soon as feasible
 with the written procedures. There have been at two least two situations

WE THINK FOOD BECAUSE THEY CAN'T THINK WITHOUT IT.

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since CHART published its final report where the Department could have utilized the recommendations and delayed doing so. This both undermines the perception of the Department's commitment to change and continues the problems for school food authorities which the proposal remedies.

- ASFSA is heartened by the Department's willingness to test a very broad array of pilots, evaluating various approaches to different elements of the commodity distribution system. We encourage the Department to continue to approve all reasonable pilot proposals.
- ASFSA is disappointed with the final proposal regarding streamlining paperwork and reporting. The time is long past for identifying ways to streamline the process. Creating "working groups to identify ways to improve commodity distribution by eliminating unnecessary and redundant paperwork and streamline what's left" is, in itself, redundant. The Department should implement many of the recommendations for streamlining that have already been developed.
- The Association strongly agrees with the approach of expanding access to
 information utilizing computer connectivity. At the same time, we urge the
 Department to develop systems to help districts acquire both the hardware
 and software needed to take advantage of the information age as well as the
 training necessary for school food service personnel to fully utilize the technology.

ASFSA is committed to continuing to work together as a partner with USDA in improving the commodity food distribution system. The commodity program is a critical part of child nutrition programs both as direct support, and as a link between America's agricultural communities and schools.

Sincerely,

Phyllis Griffith

President